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Acquisition

**DEFENSE PRODUCTION ACT TITLE III
PROGRAM**

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This instruction implements AFPD 63-6, *Industrial Base Planning*. It outlines the process and integrates activities of Title III into the Air Force Industrial Base Program, and assigns responsibilities to the Air Force Secretariat, HQ Air Force Materiel Command (AFMC), and subordinate organizations. It does not apply to the Air National Guard or United States Air Force Reserve.

SUMMARY OF REVISIONS

This revision establishes references and functional address symbols, and reflects changes in the Title III Program made by the 1992 re-authorization of the Defense Production Act (DPA).

1. Background. The Air Force participates in the Department of Defense (DoD)-wide Title III program organized by the Office of the Secretary of Defense (OSD) to solve Services materials problems. The Air Force provides representatives to serve on the OSD-led Tri-Service/Defense Logistics Agency Steering Committee and Working Group to provide advice to OSD regarding oversight and decision making on critical issues. The Air Force, as Executive Agent for the Title III program, maintains a program office at Wright-Patterson Air Force Base OH. The program office, a component of the Manufacturing Technology Directorate at Wright Laboratory, executes Title III projects and operates the program on a daily basis. Refer to **Attachment 1** for further details on the Act.

2. Responsibilities:

2.1. SAF/AQXM:

- With SAF/AQX approval, designates a flag rank officer or senior executive to serve on the Steering Committee and a staff member to serve on the Working Group.

- Establishes and maintains programs that promote awareness and use of DPA Title III authorities.
- Coordinates the DPA Title III Program with other elements of industrial base programs to ensure it supports them.
- Encourages program managers to specify the use of Title III deliverables in acquisition programs when they meet specifications required.
- Sends notice of the annual Project Call and submits consolidated proposals to OSD.
- Assists the Title III Program Office in identifying weapon system programs using materials covered by Title III contracts and in resolving specification and schedule differences between production of weapon systems and the Title III effort.

2.2. HQ AFMC/ENM:

- Serves as Command focal point for the Defense Production Act Title III Program and establishes Command policies, procedures, and program support for implementing Title III.
- Distributes the annual project call to Air Force Material Command (AFMC) Centers and submits consolidated proposals to SAF/AQXM.
- Prepares Command planning, programming, and budgeting system documentation for Title III program office and supports manpower and funding requirements in the Command resource allocation process.

2.3. WL/MT (Wright Laboratory/Manufacturing Technology Directorate):

- Provides a senior executive from the line organization over the Title III program office as a non-voting member of the Title III Steering Committee who directs execution of the DPA Title III Program.
- Identifies and advocates requirements for adequate resources, including, but not limited to, management, engineering and contracting personnel, for carrying out Title III program activities.

2.4. WL/MTD (Title III Program Office):

2.4.1. Develops and recommends DPA Title III Program policy.

2.4.2. Encourages other Air Force organizations to become project sponsors and otherwise participate and use Title III to meet their requirements for capability/capacity creation.

2.4.3. Establishes and implements a structured process for project identification and evaluation. Involves a broad range of potential users in the evaluation process.

2.4.4. Prepares Project Call notice and instructions for distribution by OSD. Screens all project call responses against DPA and DoD criteria. Ranks proposed projects. Advocates recommended projects to the Working Group, Steering Committee, and OSD.

2.4.5. Conducts pre-solicitation project activities:

- Assesses and structures the Title III project to meet DPA requirements.
- Performs a Business and Technical Analysis to verify state-of-the-industry and to confirm previous projections of demand.

- Develops an Assistance Management Plan (AMP) in coordination with the Project Sponsor.

2.4.6. Performs all contracting activities from pre-solicitation through post contract administration.

2.4.7. Oversees technical and administrative performance of the Title III contract. Coordinates assessments of the contractor's progress with the Project Sponsor.

2.4.8. Provides information about contractor's progress and production schedules to members of the service or agency working group and managers of programs requiring contract deliverables.

2.4.9. Advocates utilization of the Title III materials in other defense systems.

2.5. WL/PK. Provides Business and Contract Clearance support to the Title III program office.

2.6. Each AFMC Product and Air Logistics Center: 2.6.1. Designates a focal point for support and interaction with HQ AFMC/ENM and WL/MT on Title III. The focal point distributes the annual Project Call within the Center and submits consolidated proposals to HQ AFMC/ENM.

2.6.1. Participates in Project Call. Centers make their requirements known by developing project proposals in response to the project submission call announcement that is issued by OSD. The call is generally issued annually, but proposals can be submitted to the Program Office for consideration throughout the year. Requirements can be identified by participating with the Program Office in long-range planning, joint planning, and industry outreach activities and through Industrial Base Assessment efforts. If the proposal is accepted for funding:

- Appoints a project engineer to serve as the Project Sponsor to provide technical support to the Title III program office for pre-solicitation, contract award, and post award activities and serve as the principal authority in defining the technical requirements and needs of the Title III project. These activities, performed jointly with the program office, include advocacy of the project, identification of potential users, development of a source list, development of a draft and final statement of work, preparation of a contract data requirements list, development of evaluation criteria, development of a source selection plan, development of specifications, evaluation of responses to request for proposal, evaluation of contractor performance, and assistance with contract modifications and redirection.
- Provides a source selection authority.

2.6.2. Encourages project and program managers to specify use of Title III materials.

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Air Force (Acquisition)

Attachment 1

AIR FORCE DEFENSE PRODUCTION ACT TITLE III AUTHORITIES

A1.1. Congress first authorized the DPA Title III program in 1950 to enable industry to mine and produce materials for the Korean War. Title III continues to adapt to changing defense needs and today creates capacity for a diverse set of advanced materials. Recent examples include high-modulus graphite fiber and silicon-on-sapphire wafers. These allow engineers to design new, higher performance materials into weapon systems at a reduced cost. Title III will continue to play a vital role in national security.

A1.2. Title III, *Expansion of Productive Capacity and Supply*, of the Defense Production Act (DPA) of 1950, as revised and amended, authorizes the President to use various forms of financial incentives to expand productive capacity and supply. These incentives include loan guarantees (Section 301), direct Federal loans (Section 302), purchases and purchase guarantees, installation of equipment in contractor facilities, and other incentives (Section 303). Title III authorities can be delegated to other Federal agencies as well as to the Department of Defense.

A1.3. Executive Order 10480, *Further Providing for the Administration of the Defense Mobilization Program*, as revised and amended, delegates to the Department of Defense the authority to develop and promote measures for the expansion of productive capacity and of production and supply of materials and facilities necessary for the national defense.

A1.4. DASD(P&L) Letter, *Title III Interim Operating Procedures*, 22 January 1987, appoints the Air Force as the Executive Agent for the DoD Title III Program and authorizes the establishment of a Title III Program Office to administer the program.